

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	<u>Range Resources-Pine Mountain, Inc.</u>	)	VIRGINIA GAS
		)	AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE SPACING	)	
	LIMITATIONS PRESCRIBED BY	)	DOCKET NO.
	VA. CODE § 45.1-361.17 (a) (2)	)	<u>VGOB-12-1113-3094</u>
	FOR <u>WELL NO. 900124</u>	)	
		)	
		)	
		)	
LEGAL DESCRIPTION:		)	
	DRILLING UNIT SERVED BY WELL	)	
	NUMBERED <u>900124</u>	)	
	TO BE DRILLED IN THE LOCATION	)	
	DEPICTED ON EXHIBIT A HERETO,	)	
	<u>Elihu Kiser Tract</u>	)	
	190.63 acres, more or less	)	
	<u>PRATER QUADRANGLE</u>	)	
	<u>PRATER DISTRICT</u>	)	
	<u>BUCHANAN COUNTY, VIRGINIA</u>	)	
	(the "Subject Lands" are more particularly described	)	
	on <u>Exhibit "A"</u> , attached hereto and made a part	)	
	hereof)	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

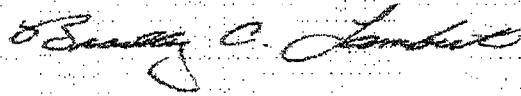
1. Hearing Date and Place: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on **November 13, 2012 and continued to December 18, 2012** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
2. Appearances: Timothy E. Scott of McKinnis & Scott, appeared for the Applicant.
3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 *et seq.*, the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the

Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: None.
5. Dismissals: None.
6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. 900124.
7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. 900124 which is 2,209 feet from Range Well No. 824073, 2,458 feet from Range Well No. 826109, and 1,799 feet from Range Well No. 826204 at the location depicted on the Plat attached hereto as Exhibit A.
8. Special Findings: The Board specifically and specially finds:
  - 8.1 Applicant is Range Resources-Pine Mountain, Inc. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
  - 8.2 Applicant Range Resources-Pine Mountain, Inc. is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
  - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. 900124 as well as the right to participate and develop the reciprocal well, being Range Well Nos. 824073, 826109 and 826204.
  - 8.4 The proposed Well No. 900124 is located on the Elihu Kiser Tract containing 190.63 acres and the surface, coal, gas and oil owners have consented to the proposed location for Well No. 900124 that is depicted on the Plat attached hereto as Exhibit A;
  - 8.5 The Applicant testified it has the right to operate and participate in the development of the reciprocal Range Well Nos. 824073, 826109 and 826204 and that the granting of the application filed herein will not impact the correlative rights of any person;
  - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. 900124 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 550 million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act;
  - 8.7 Applicant proposes the drilling of Well No. 900123 to a depth of 6,059 feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, Ravencliff, Maxon, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 6,059 feet ("Subject Formations");

- 8.8 Applicant proposes to drill Well No. **900124** a distance of 291 feet closer to Range Well No. **824973**, 42 feet closer to Range Well No. **826109** and 701 feet closer to Range Well No. **826204** than the 2500 feet mandated by statewide spacing;
- 8.9 Applicant proposes to complete and operate **Well No. 900124** for the purpose of producing Conventional Gas;
9. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**
10. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code Ann. § 9-6.14:1 *et seq.* and Rule 2A of the Rules of the Virginia Supreme Court.
11. Effective Date: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED this 9 day of January, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

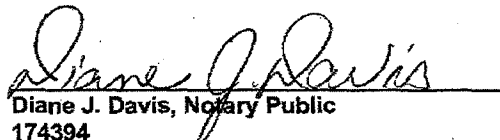
DONE AND PERFORMED this 9 day of January, 2013 by Order of the Virginia Gas and Oil Board.



Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSEL)

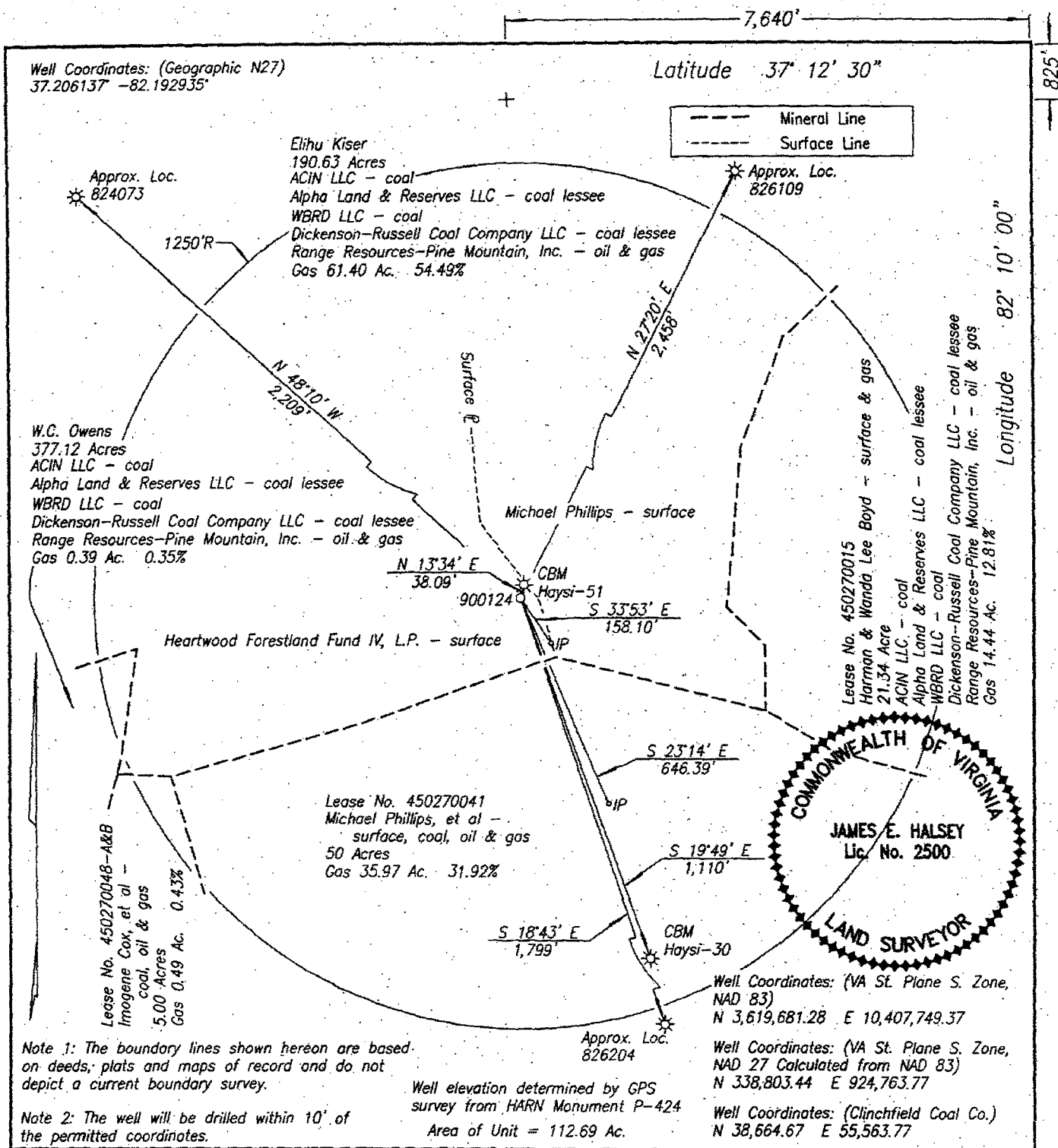
Acknowledged on this 9<sup>th</sup> day of January, 2013, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.



Diane J. Davis, Notary Public  
174394

My Commission expires: September 30, 2013





# WELL LOCATION PLAT NORA GRID AC-72

COMPANY Range Resources-Pine Mountain, Inc. WELL NAME AND NUMBER 900124  
TRACT NO. Elihu Kiser ELEVATION 1,987.19' QUADRANGLE Prater  
COUNTY Buchanan DISTRICT Prater SCALE 1" = 400' DATE 9-28-2012  
This Plat is a new plat x; an updated plat   ; or a final location plat     
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

James E. Halsey  
Licensed Professional Engineer or Licensed Land Surveyor

RANGE RESOURCES-PINE MOUNTAIN, INC.  
WELL NO. 900124  
Exhibit "B"

DEPTH -

6,059'

Dickenson-Russell Coal Company  
Maxxim Shared Services, LLC  
Attn: Steve Smith  
5703 Crutchfield Drive  
Norton, VA 24273

ALPHA Land & Reserves, LLC  
Attn: Steve Smith  
5703 Crutchfield Drive  
Norton, VA 24273

WBRD LLC  
John Mooney  
5260 Irwin Road  
Huntington, WV 25705-3247

ACIN LLC  
John Mooney  
5260 Irwin Road  
Huntington, WV 25705-3247

Harman & Wanda Lee Boyd  
595 Dotson Ridge Rd  
Ceres, VA 24318-3513

Michael Phillips  
8570 Lovers Gap Road  
Vansant, VA 24656

Myrtle V. Owens  
6304 Old Jonesborough Road  
Bristol, TN 37620

Roy Lee Owens  
114 Friendship Lane  
Mt. Hope, WV 25880

Lois Marie Viers  
209 Amber Lane  
Bristol, TN 37620

Eva Owens  
217 Rutledge Street  
Bristol, TN 37620

John T. Owens  
4033 Rupp Road  
Manchester, MD 21102

RANGE RESOURCES-PINE MOUNTAIN, INC.  
WELL NO. 900124

Anthony W. Owens  
3210 Noah's Drive  
Manchester, MD 21102

Ken Allen Owens  
3019 Regal Oak Court  
Manchester, MD 21102

Imogene Cox  
PO Box 543  
Bristol, TN 37621

Kathleen Y Bond  
1975 River Road  
Williamsburg, KY 49769-8754